

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING ELECTIONS, UNIT: V-3607 (herein "Subject Drilling Unit") DOCKET NUMBER VGOB-97/01/21-0560

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of Section 7.C of the Virginia Gas and Oil Board Regulations, VR-480-05-22.2 by supplementing the Order previously issued by the Board for subject Docket on March 20, 1997 and recorded at Deed Book 844 Page 320 in the office of the Clerk of Circuit Court, Wise County, Virginia on March 21, 1997 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, Section 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a). The Board Order directed Equitable Resources Energy Company (herein the "Designated Operator"), to mail copies of the Board order to all Respondents whose interests, if any, were pooled by said board Order.

(b). The Designated Operator filed its affidavit of mailing dated April 2, 1997, disclosing that it had mailed a true and correct copy of the Board's order to all Respondents whose interests, if any, were pooled by said Board Order.

©. The Board order required each Respondent whose interests, if any, were pooled by the terms of said Board order to make his or her election within thirty(30) days after the date of mailing or recording, as applicable, of said Order, the Designated Operator has filed its affidavit in accordance with Section 7.C of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated (i) whether each respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d). The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B.

(e). Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 29 College Drive, P. O. Box 1199, Bluefield, VA 24605, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof, if any, subject to escrow.

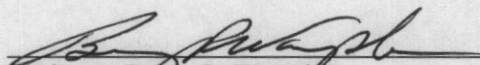
3. Order: According to the Designated Unit Operator's affidavit regarding elections, attached hereto, none of the Respondents named in the captioned application are unknown or unlocatable persons as defined in Virginia Code Section 45.1-361.D and in paragraph 16.2 of the Board Order, therefore, unless and until otherwise ordered by the Board (1) it is not required that the Designated Unit Operator tender funds into the Board established escrow account, nor (2) is it required that the Escrow Agent establish such an escrow account with respect to VGOB Docket Number 97-01/21-0560. Rather, the Designated Unit Operator is ordered to make payment to the Respondents consistent with its voluntary agreements with said Respondents or in accordance with Paragraph 9 of the Board's Order, as applicable.

4. Mailing of the Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

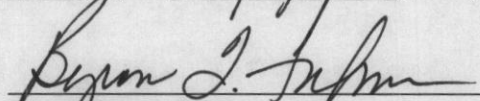
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 28th day of May, 1997, by a majority of the Virginia Gas and Oil Board.

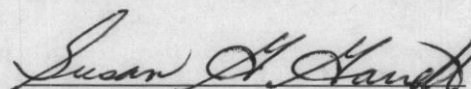

Chairman, Benny R. Wampler

DONE AND PERFORMED this 28th day of May, 1997, by Order of this Board.


Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 28th day of May, 1997, personally before me a notary public in and for the commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 28th day of May, 1997, personally before me a notary public in and for the commonwealth of Virginia, appeared Byron Thomas Fulmer being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis
Notary Public

My commission expires 9/30/97

VIRGINIA: In the Clerk's Office of Wise Circuit Court 6-13, 19 97
This deed was presented and upon the annexed Certificate of acknowledgement admitted to
record at 2:15 P. M. The tax imposed by 58.541 of the Code has been paid in the
amount of \$ 852 Recorded in Deed Book 852 and Page 124
J. Jack Kennedy, Jr., Clerk [Signature] Deputy Clerk

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Equitable Resources Energy Company, Eastern Region for Forced Pooling of Interests in Unit Number V-3607, VGOB Docket No. VGOB-97/0121-0560 in the Roberson Magisterial District of Wise County, Virginia.

AFFIDAVIT OF WILHOIT, WEATHERLY, STETSON & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of Wilhoit, Weatherly, Stetson & Kaiser, the Agent for the Designated Operator, with offices located at 155 Shelby Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on March 20, 1997, by the Virginia Gas and Oil Board regarding the captioned conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on March 21, 1997.
5. That the Designated Operator, by and through their agent, Wilhoit, Weatherly, Stetson & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard

to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

None.

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

None.

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

None.

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraphs 3 and 2(c) of the Order.

Tract 4	Faye Roberts, a widow	0.630 Acres x \$5=\$3.15
Tract 5	D.& R. Trucking Company, Inc.	0.750 Acres x \$5=\$3.75
Tract 6	D.& R. Trucking Company, Inc.	0.220 Acres x \$5=\$1.10

That pursuant to the provision of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22A.3 and 4.

Dated at Kingsport, Tennessee, this 5th day of May 1997.

James E. Kaiser
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Resources Energy Company, a corporation, on behalf of the corporation, this 5th day of May 1997.

My commission expires: 9/30/97

Diane J. Davis
Notary

EXHIBIT "B"
V-3607
VGOB 97-0121-0560

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
1	Switch Energy Corporation 5033 Flat Gap Road Pound, VA 24279	Leased-EREC 245199L01	52.760%	59.450	0.06595000 RI
	Equitable Resources Energy Company				0.46165000 WI
Tract 1 Totals			52.760%	59.450	0.52760000
2	Penn Virginia Resources Corporation Attn: Mr. Russell Cook 999 Executive Park Blvd., Suite 300 Kingsport, TN 37660	Leased-EREC 223096L01 Tract 1054	41.020%	46.230	0.05127500 RI
	Equitable Resources Energy Company				0.35892500 WI
Tract 2 Totals			41.020%	46.230	0.41020000
3	Daniel W. Fast and Teena M. Fast, H/W P. O. Box 3165 Wise, VA 24293	Leased-EREC 245214L01	4.470%	5.040	0.00558750 RI
	Equitable Resources Energy Company				0.03911250 WI
Tract 3 Totals			4.470%	5.040	0.04470000
4	Faye Roberts, a widow 5304 Flat Gap Road Pound, VA 24279	Unleased	0.560%	0.630	0.00070000 RI
	Equitable Resources Energy Company				0.00490000 WI
Tract 4 Totals			0.560%	0.630	0.00560000

EXHIBIT "B" V-3607

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<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
5	D. & R. Trucking Company, Inc. P. O. Box 1389 Clintwood, VA 24228-1389	Unleased	0.670%	0.750	0.00083750 RI
	Equitable Resources Energy Company				0.00586250 WI
Tract 5 Totals			0.670%	0.750	0.00670000
6	D. & R. Trucking Company, Inc. P. O. Box 1389 Clintwood, VA 24228-1389	Unleased	0.190%	0.220	0.00023750 RI
	Equitable Resources Energy Company				0.00166250 WI
Tract 6 Totals			0.190%	0.220	0.00190000
7	Brazella E. Sturgill and Jack A. Sturgill, Sr., W/H 5337 North Fork Road Pound, VA 24279	Leased-EREC 244674L01	0.170%	0.190	0.00021250 RI
	Equitable Resources Energy Company				0.00148750 WI
Tract 7 Totals			0.170%	0.190	0.00170000
8	Harold Sturgill and Debbie Sturgill, H/W 5405 Hale Gap Road Pound, VA 24279	Leased-EREC 244655L01	0.160%	0.180	0.00020000 RI
	Equitable Resources Energy Company				0.00140000 WI
Tract 8 Totals			0.160%	0.180	0.00160000
UNIT TOTALS			100.000%	112.690	1.00000000